

Adopted	Rejected
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COMMITTEE REPORT

YES:	25
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred Senate Bill 357, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 2, line 9, after "that" insert ":".
- 2 Page 2, line 9, before "the property" begin a new line block indented
- 3 and insert:
- 4 **"(1)"**.
- 5 Page 2, line 9, delete ":".
- 6 Page 2, line 10, strike "(1)".
- 7 Page 2, run in lines 9 through 10.
- 8 Page 2, line 12, after "(2)" insert **"either:"**.
- 9 Page 2, line 12, before "will" begin a new line double block
- 10 indented and insert:
- 11 **"(A) the property"**.
- 12 Page 2, line 13, after "package" delete "." and insert **"; or"**.
- 13 Page 2, between lines 13 and 14, begin a new line double block
- 14 indented and insert:
- 15 **"(B) the final packaging of finished inventory items is not**
- 16 **practical until receipt of a final customer order because**

1 **fulfillment of the customer order requires the**
 2 **accumulation of a number of distinct finished inventory**
 3 **items into a single shipping package."**

4 Page 3, between lines 35 and 36, begin a new paragraph and insert:
 5 "SECTION 3. IC 6-1.1-12.1-4 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 7 Sec. 4. (a) Except as provided in section 2(i)(4) of this chapter, the
 8 amount of the deduction which the property owner is entitled to receive
 9 under section 3 of this chapter for a particular year equals the product
 10 of:

11 (1) the increase in the assessed value resulting from the
 12 rehabilitation or redevelopment; multiplied by
 13 (2) the percentage prescribed in the table set forth in subsection
 14 (d).

15 (b) The amount of the deduction determined under subsection (a)
 16 shall be adjusted in accordance with this subsection in the following
 17 circumstances:

18 (1) If a general reassessment of real property occurs within the
 19 particular period of the deduction, the amount determined under
 20 subsection (a)(1) shall be adjusted to reflect the percentage
 21 increase or decrease in assessed valuation that resulted from the
 22 general reassessment.

23 (2) If an appeal of an assessment is approved that results in a
 24 reduction of the assessed value of the redeveloped or rehabilitated
 25 property, the amount of any deduction shall be adjusted to reflect
 26 the percentage decrease that resulted from the appeal.

27 The state board of tax commissioners shall adopt rules under IC 4-22-2
 28 to implement this subsection.

29 (c) Property owners who had an area designated an urban
 30 development area pursuant to an application filed prior to January 1,
 31 1979, are only entitled to the deduction for the first through the fifth
 32 years as provided in subsection (d)(3). In addition, property owners
 33 who are entitled to a deduction under this chapter pursuant to an
 34 application filed after December 31, 1978, and before January 1, 1986,
 35 are entitled to a deduction for the first through the tenth years, as
 36 provided in subsection (d)(3).

37 (d) **Except as provided in section 11.3 of this chapter**, the
 38 percentage to be used in calculating the deduction under subsection (a)

1 is as follows:

2 (1) For deductions allowed over a three (3) year period:

3 YEAR OF DEDUCTION	PERCENTAGE
4 1st	100%
5 2nd	66%
6 3rd	33%

7 (2) For deductions allowed over a six (6) year period:

8 YEAR OF DEDUCTION	PERCENTAGE
9 1st	100%
10 2nd	85%
11 3rd	66%
12 4th	50%
13 5th	34%
14 6th	17%

15 (3) For deductions allowed over a ten (10) year period:

16 YEAR OF DEDUCTION	PERCENTAGE
17 1st	100%
18 2nd	95%
19 3rd	80%
20 4th	65%
21 5th	50%
22 6th	40%
23 7th	30%
24 8th	20%
25 9th	10%
26 10th	5%

27 SECTION 4. IC 6-1.1-12.1-4.5 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JANUARY 1, 1998 (RETROACTIVE)]:

29 Sec. 4.5. (a) For purposes of this section, "personal property" means
30 personal property other than inventory (as defined in IC 6-1.1-3-11(a)).

31 (b) An applicant must provide a statement of benefits to the
32 designating body. The applicant must provide the completed statement
33 of benefits form to the designating body before the hearing specified in
34 section 2.5(c) of this chapter or before the installation of the new
35 manufacturing equipment for which the person desires to claim a
36 deduction under this chapter. The state board of tax commissioners
37 shall prescribe a form for the statement of benefits. The statement of
38 benefits must include the following information:

(1) A description of the new manufacturing equipment that the person proposes to acquire.

(2) With respect to new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

With the approval of the state board of tax commissioners, the statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(c) The designating body must review the statement of benefits required under subsection (b). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type.

(2) With respect to new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment.

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(d) Except as provided in subsection (f), an owner of new manufacturing equipment whose statement of benefits is approved before May 1, 1991, is entitled to a deduction from the assessed value of that equipment for a period of five (5) years. Except as provided in subsections (f) and (i), an owner of new manufacturing equipment whose statement of benefits is approved after April 30, 1991, is entitled to a deduction from the assessed value of that equipment for a period of five (5) years or ten (10) years, as determined by the designating body under subsection (h). Except as provided in subsections (f) and (g) and in section 2(i)(3) of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment in the year that the equipment is installed; multiplied by

(2) the percentage prescribed in the table set forth in subsection (e).

(e) **Except as provided in section 11.3 of this chapter after December 31, 1998**, the percentage to be used in calculating the deduction under subsection (d) is as follows:

(1) For deductions allowed over a five (5) year period:

1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd	95%
4	3rd	80%
5	4th	65%
6	5th	50%
7	6th and thereafter	0%

8 (2) For deductions allowed over a ten (10) year period:

9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	95%
12	3rd	90%
13	4th	85%
14	5th	80%
15	6th	70%
16	7th	55%
17	8th	40%
18	9th	30%
19	10th	25%
20	11th and thereafter	0%

21 (f) Notwithstanding subsections (d) and (e), a deduction under this
 22 section is not allowed in the first year the deduction is claimed for new
 23 manufacturing equipment to the extent that it would cause the assessed
 24 value of all of the personal property of the owner in the taxing district
 25 in which the equipment is located (excluding personal property that is
 26 assessed as construction in process) to be less than the assessed value
 27 of all of the personal property of the owner in that taxing district
 28 (excluding personal property that is assessed as construction in
 29 process) in the immediately preceding year. **However, this subsection**
 30 **does not apply to new manufacturing equipment located in a**
 31 **township with a population of more than three thousand five**
 32 **hundred (3,500) but less than four thousand three hundred (4,300)**
 33 **that is located in a county having a population of more than**
 34 **thirty-five thousand (35,000) but less than forty-one thousand**
 35 **(41,000), if the total original cost of all new manufacturing**
 36 **equipment placed into service by the owner during the preceding**
 37 **sixty (60) months exceeds fifty million dollars (\$50,000,000).**

38 (g) If a deduction is not fully allowed under subsection (f) in the

first year the deduction is claimed, then the percentages specified in subsection (d) or (e) apply in the subsequent years to the amount of deduction that was allowed in the first year.

(h) The designating body shall determine whether a property owner whose statement of benefits is approved after April 30, 1991, is entitled to a deduction for five (5) or ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the state board of tax commissioners. A certified copy of the resolution shall be sent to the county auditor and the state board of tax commissioners.

A determination about whether the deduction is for a period of five (5) or ten (10) years that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(i) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or IC 13-30-6; or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

SECTION 5. IC 6-1.1-12.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:

Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the state board of tax commissioners, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e) **or section 11.3 of this chapter**, the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

1 (b) If notice of the addition to assessed valuation or new
2 assessment for any year is not given to the property owner before April
3 10 of that year, the deduction application required by this section may
4 be filed not later than thirty (30) days after the date such a notice is
5 mailed to the property owner at the address shown on the records of the
6 township assessor.

7 (c) The deduction application required by this section must contain
8 the following information:

9 (1) The name of the property owner.

10 (2) A description of the property for which a deduction is
11 claimed in sufficient detail to afford identification.

12 (3) The assessed value of the improvements before
13 rehabilitation.

14 (4) The increase in the assessed value of improvements resulting
15 from the rehabilitation.

16 (5) The assessed value of the new structure in the case of
17 redevelopment.

18 (6) The amount of the deduction claimed for the first year of the
19 deduction.

20 (7) If the deduction application is for a deduction in a
21 residentially distressed area, the assessed value of the
22 improvement or new structure for which the deduction is
23 claimed.

24 (d) A deduction application filed under subsection (a) or (b) is
25 applicable for the year in which the addition to assessed value or
26 assessment of a new structure is made and in the immediate following
27 two (2), four (4), five (5), or nine (9) years, whichever is applicable,
28 without any additional deduction application being filed. However,
29 property owners who had an area designated an urban development
30 area pursuant to a deduction application filed prior to January 1, 1979,
31 are only entitled to a deduction for a five (5) year period. In addition,
32 property owners who are entitled to a deduction under this chapter
33 pursuant to a deduction application filed after December 31, 1978, and
34 before January 1, 1986, are entitled to a deduction for a ten (10) year
35 period.

36 (e) A property owner who desires to obtain the deduction provided
37 by section 3 of this chapter but who has failed to file a deduction
38 application within the dates prescribed in subsection (a) or (b) may file

a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a deduction application by the assessor of the township in which the property is located, the county auditor shall act as follows:

(1) If a determination about whether the deduction is three (3), six (6), or ten (10) years has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination about whether the deduction is three (3), six (6), or ten (10) years has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating whether the deduction will be allowed for three (3), six (6), or ten (10) years, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

SECTION 6. IC 6-1.1-12.1-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) This subsection applies to:

(1) all deductions under section 3 of this chapter for property located in a residentially distressed area; and

1 (2) any other deductions for which a statement of benefits was
 2 approved under section 3 of this chapter before July 1, 1991.

3 In addition to the requirements of section 5(c) of this chapter, a
 4 deduction application filed under section 5 of this chapter must contain
 5 information showing the extent to which there has been compliance
 6 with the statement of benefits approved under section 3 of this chapter.
 7 Failure to comply with a statement of benefits approved before July 1,
 8 1991, may not be a basis for rejecting a deduction application.

9 (b) This subsection applies to each deduction (other than a
 10 deduction for property located in a residentially distressed area) for
 11 which a statement of benefits was approved under section 3 of this
 12 chapter after June 30, 1991. In addition to the requirements of section
 13 5(c) of this chapter, a property owner who files a deduction application
 14 under section 5 of this chapter must provide the county auditor and the
 15 designating body with information showing the extent to which there
 16 has been compliance with the statement of benefits approved under
 17 section 3 of this chapter. This information must be included in the
 18 deduction application and must also be updated ~~within sixty (60) days~~
 19 **after the end of by June 15 of the year following** each year in which
 20 the deduction is applicable.

21 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
 22 information is a public record if filed under this section:

- 23 (1) The name and address of the taxpayer.
- 24 (2) The location and description of the property for which the
- 25 deduction was granted.
- 26 (3) Any information concerning the number of employees at the
- 27 property for which the deduction was granted, including
- 28 estimated totals that were provided as part of the statement of
- 29 benefits.
- 30 (4) Any information concerning the total of the salaries paid to
- 31 those employees, including estimated totals that were provided
- 32 as part of the statement of benefits.
- 33 (5) Any information concerning the assessed value of the
- 34 property, including estimates that were provided as part of the
- 35 statement of benefits.

36 (d) The following information is confidential if filed under this
 37 section:

- 38 (1) Any information concerning the specific salaries paid to

individual employees by the property owner.

(2) Any information concerning the cost of the property.

SECTION 7. IC 6-1.1-12.1-5.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:

Sec. 5.5. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction application on forms prescribed by the state board of tax commissioners with:

(1) the auditor of the county in which the new manufacturing equipment is located; and

(2) the state board of tax commissioners.

Except as provided in section 11.3 of this chapter, a person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment is installed must file the application between March 1 and May 15 of that year. **Except as provided in section 11.3 of this chapter**, a person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment is installed must file the application between March 1 and June 14 of that year.

(b) The deduction application required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment.

(2) A description of the new manufacturing equipment.

(3) Proof of the date the new manufacturing equipment was installed.

(4) The amount of the deduction claimed for the first year of the deduction.

(c) This subsection applies to a deduction application with respect to new manufacturing equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about whether the deduction is for a period of five (5) or ten (10) years has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body and the designating body shall adopt a resolution under section 4.5(h)(2) of this chapter.

(d) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed and in each of the immediately succeeding four (4) or nine (9) years, whichever is applicable.

(e) The state board of tax commissioners shall review and verify the correctness of each deduction application and shall notify the county auditor of the county in which the property is located that the deduction application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the deduction application or of alteration of the amount of the deduction, the county auditor shall make the deduction. The county auditor shall notify the county property tax assessment board of appeals of all deductions approved under this section.

(f) If the ownership of new manufacturing equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
- (2) files the deduction applications required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) If a person desires to initiate an appeal of the state board of tax commissioners' final determination, the person must do all of the following not more than forty-five (45) days after the state board of tax commissioners gives the person notice of the final determination:

- (1) File a written notice with the state board of tax commissioners informing the board of the person's intention to appeal.
- (2) File a complaint in the tax court.
- (3) Serve the attorney general and the county auditor with a copy of the complaint.

SECTION 8. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.6. (a) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter before July 1, 1991. In addition to the requirements of section 5.5(b) of this chapter, a deduction application filed under section 5.5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. Failure to comply with a statement of benefits approved before July 1,

1 1991, may not be a basis for rejecting a deduction application.

2 (b) This subsection applies to a property owner whose statement
3 of benefits was approved under section 4.5 of this chapter after June
4 30, 1991. In addition to the requirements of section 5.5(b) of this
5 chapter, a property owner who files a deduction application under
6 section 5.5 of this chapter must provide the county auditor and the
7 designating body with information showing the extent to which there
8 has been compliance with the statement of benefits approved under
9 section 4.5 of this chapter. **The information concerning compliance**
10 **must be submitted not later than June 15 of the year following each**
11 **year in which the deduction is applicable.**

12 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
13 information is a public record if filed under this section:

- 14 (1) The name and address of the taxpayer.
- 15 (2) The location and description of the new manufacturing
16 equipment for which the deduction was granted.
- 17 (3) Any information concerning the number of employees at the
18 facility where the new manufacturing equipment is located,
19 including estimated totals that were provided as part of the
20 statement of benefits.
- 21 (4) Any information concerning the total of the salaries paid to
22 those employees, including estimated totals that were provided
23 as part of the statement of benefits.
- 24 (5) Any information concerning the amount of solid waste or
25 hazardous waste converted into energy or other useful products
26 by the new manufacturing equipment.
- 27 (6) Any information concerning the assessed value of the new
28 manufacturing equipment, including estimates that were
29 provided as part of the statement of benefits.

30 (d) The following information is confidential if filed under this
31 section:

- 32 (1) Any information concerning the specific salaries paid to
33 individual employees by the owner of the new manufacturing
34 equipment.
- 35 (2) Any information concerning the cost of the new
36 manufacturing equipment.

37 SECTION 9. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.9. (a) This section

1 does not apply to:

- 2 (1) a deduction under section 3 of this chapter for property
- 3 located in a residentially distressed area; or
- 4 (2) any other deduction under section 3 or 4.5 of this chapter for
- 5 which a statement of benefits was approved before July 1, 1991.

6 (b) ~~Within forty-five (45) days~~ **Not later than August 15** after
 7 receipt of the information described in section 5.1 or 5.6 of this
 8 chapter, the designating body may determine whether the property
 9 owner has substantially complied with the statement of benefits
 10 approved under section 3 or 4.5 of this chapter. If the designating body
 11 determines that the property owner has not substantially complied with
 12 the statement of benefits and that the failure to substantially comply
 13 was not caused by factors beyond the control of the property owner
 14 (such as declines in demand for the property owner's products or
 15 services), the designating body shall mail a written notice to the
 16 property owner. The written notice must include the following
 17 provisions:

- 18 (1) An explanation of the reasons for the designating body's
- 19 determination.
- 20 (2) The date, time, and place of a hearing to be conducted by the
- 21 designating body for the purpose of further considering the
- 22 property owner's compliance with the statement of benefits. The
- 23 date of the hearing may not be more than thirty (30) days after
- 24 the date on which the notice is mailed.

25 If a notice mailed to a property owner concerns a statement of benefits
 26 approved under section 4.5 of this chapter, the designating body shall
 27 also mail a copy of the notice to the state board of tax commissioners.

28 (c) On the date specified in the notice described in subsection
 29 (b)(2), the designating body shall conduct a hearing for the purpose of
 30 further considering the property owner's compliance with the statement
 31 of benefits. Based on the information presented at the hearing by the
 32 property owner and other interested parties, the designating body shall
 33 again determine whether the property owner has made reasonable
 34 efforts to substantially comply with the statement of benefits and
 35 whether any failure to substantially comply was caused by factors
 36 beyond the control of the property owner. If the designating body
 37 determines that the property owner has not made reasonable efforts to
 38 comply with the statement of benefits, the designating body shall adopt

1 a resolution terminating the property owner's deduction under section
 2 3 or 4.5 of this chapter. If the designating body adopts such a
 3 resolution, the deduction does not apply to the next installment of
 4 property taxes owed by the property owner or to any subsequent
 5 installment of property taxes.

6 (d) If the designating body adopts a resolution terminating a
 7 deduction under subsection (c), the designating body shall immediately
 8 mail a certified copy of the resolution to:

9 (1) the property owner;

10 (2) the county auditor; and

11 (3) the state board of tax commissioners if the deduction was
 12 granted under section 4.5 of this chapter.

13 The county auditor shall remove the deduction from the tax duplicate
 14 and shall notify the county treasurer of the termination of the
 15 deduction. If the designating body's resolution is adopted after the
 16 county treasurer has mailed the statement required by IC 6-1.1-22-8,
 17 the county treasurer shall immediately mail the property owner a
 18 revised statement that reflects the termination of the deduction.

19 (e) A property owner whose deduction is terminated by the
 20 designating body under this section may appeal the designating body's
 21 decision by filing a complaint in the office of the clerk of the circuit or
 22 superior court together with a bond conditioned to pay the costs of the
 23 appeal if the appeal is determined against the property owner. An
 24 appeal under this subsection shall be promptly heard by the court
 25 without a jury and determined within thirty (30) days after the time of
 26 the filing of the appeal. The court shall hear evidence on the appeal and
 27 may confirm the action of the designating body or sustain the appeal.
 28 The judgment of the court is final and conclusive unless an appeal is
 29 taken as in other civil actions.

30 (f) If an appeal under subsection (e) is pending, the taxes resulting
 31 from the termination of the deduction are not due until after the appeal
 32 is finally adjudicated and the termination of the deduction is finally
 33 determined.

34 SECTION 10. IC 6-1.1-12.1-11.3 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 36 Sec. 11.3. (a) This section applies only to the following requirements
 37 under ~~section 3~~ of this chapter:

38 (1) Failure to provide the completed statement of benefits form

1 to the designating body **under section 3 or 4.5 of this chapter**
 2 before the hearing required by section 2.5(c) of this chapter.

3 (2) Failure to submit the completed statement of benefits form to
 4 the designating body **under section 3 or 4.5 of this chapter**
 5 before the initiation of the redevelopment or rehabilitation or the
 6 installation of new manufacturing equipment for which the
 7 person desires to claim a deduction under this chapter.

8 (3) Failure to designate an area as an economic revitalization
 9 area **under section 3 or 4.5 of this chapter** before the initiation
 10 of the:

11 (A) redevelopment;

12 (B) installation of new manufacturing equipment; or

13 (C) rehabilitation;

14 for which the person desires to claim a deduction under this
 15 chapter.

16 (4) Failure to make the required findings of fact **under section**
 17 **3 or 4.5 of this chapter** before designating an area as an
 18 economic revitalization area or authorizing a deduction for new
 19 manufacturing equipment under section 2, 3, or 4.5 of this
 20 chapter.

21 **(5) Failure to file a deduction application under either**
 22 **section 5 or section 5.5 of this chapter in a timely manner.**

23 (b) This section does not grant a designating body the authority to
 24 exempt a person from filing a statement of benefits or exempt a
 25 designating body from making findings of fact.

26 (c) A designating body may by resolution waive noncompliance
 27 described under subsection (a) under the terms and conditions specified
 28 in the resolution. Before adopting a waiver under this subsection, the
 29 designating body shall conduct a public hearing on the waiver. **The**
 30 **designating body may charge a filing fee not to exceed five hundred**
 31 **dollars (\$500) to consider a request for a waiver under this section.**
 32 **A filing fee collected by the designating body under this subsection**
 33 **shall be deposited in the general fund of the city, town, or county**
 34 **served by the designating body.**

35 (d) **Before adopting a resolution waiving noncompliance**
 36 **described under subsection (a)(5), the designating body must**
 37 **review the statement of benefits initially filed under section 3 or**
 38 **section 4.5 of this chapter and find that the person submitting the**

1 request under subsection (a)(5) has fully complied with the
2 statement of benefits, including job creation or retention, capital
3 investment, and any other requirements imposed by the
4 designating body. The designating body has full discretion to refuse
5 to grant the waiver for any reason it considers appropriate. The
6 designating body may not waive noncompliance described in
7 subsection (a)(5), if full compliance with the statement of benefits
8 is not proven.

9 (e) If the designating body adopts a resolution waiving
10 noncompliance described under subsection (a)(5) with respect to a
11 deduction application under section 5 of this chapter, the
12 designating body shall notify the county auditor and the assessor
13 of the township in which the property is located. Upon verification
14 of the correctness of the deduction application by the township
15 assessor, the county auditor shall make the appropriate deduction.

16 (f) If the designating body adopts a resolution waiving
17 noncompliance described under subsection (a)(5) with respect to a
18 deduction application under section 5.5 of this chapter, the
19 designating body shall notify the state board of tax commissioners
20 of its determination. The state board of tax commissioners shall
21 review and verify the correctness of the deduction application and
22 shall notify the county auditor of the county in which the property
23 is located that the deduction application is approved or denied or
24 that the amount of the deduction is altered. Upon notification of
25 approval of the deduction application or of alteration of the
26 amount of the deduction, the county auditor shall make the
27 deduction.

28 (g) This subsection does not apply to a taxpayer that obtains
29 a filing extension under IC 6-1.1-3-7(b) for a particular year. If the
30 designating body adopts a resolution waiving noncompliance
31 described under subsection (a)(5) with respect to a deduction
32 application under section 5.5 of this chapter and the application for
33 the deduction provided by section 4.5 of this chapter is filed after
34 May 15 and before July 1 of a year in which the deduction is
35 claimed, the percentage to be used in calculating the deduction for
36 that year is reduced by fifty percent (50%). If the application is
37 filed after June 30 and before August 1 of a year in which the
38 deduction is claimed, the percentage to be used in calculating the

1 deduction for that year is reduced by seventy-five percent (75%).
 2 If the application is not filed before August 1, the deduction is
 3 waived for that year.

4 (h) This subsection applies to a taxpayer that obtains a filing
 5 extension under IC 6-1.1-3-7(b) for a particular year. If the
 6 designating body adopts a resolution waiving noncompliance
 7 described under subsection (a)(5) with respect to a deduction
 8 application under section 5.5 of this chapter and the application for
 9 the deduction provided by section 4.5 of this chapter is filed after
 10 June 14 and before July 1 of a year in which the deduction is
 11 claimed, the percentage to be used in calculating the deduction for
 12 that year is reduced by fifty percent (50%). If the application is
 13 filed after June 30 and before August 1 of a year in which the
 14 deduction is claimed, the percentage to be used in calculating the
 15 deduction for that year is reduced by seventy-five percent (75%).
 16 If the application is not filed before August 1, the deduction is
 17 waived for that year.

18 (i) If the designating body adopts a resolution waiving
 19 noncompliance described under subsection (a)(5) with respect to a
 20 deduction application under section 5 of this chapter and the
 21 application for the deduction provided by section 3 of this chapter
 22 is filed after May 10 and before July 1 of a year in which the
 23 deduction is claimed, the percentage to be used in calculating the
 24 deduction for that year is reduced by fifty percent (50%). If the
 25 application is filed after June 30 and before August 1 of a year in
 26 which the deduction is claimed, the percentage to be used in
 27 calculating the deduction for that year is reduced by seventy-five
 28 percent (75%). If the application is not filed before August 1, the
 29 deduction is waived for that year.

30 SECTION 11. IC 36-7-31.3-1 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies
 32 only to a city or a county without a consolidated city that has a
 33 professional sports franchise playing the majority of its home games in
 34 a facility owned by the city, the county, a school corporation, or a board
 35 under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11.

36 SECTION 12. IC 36-7-31.3-8 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. A city or county
 38 legislative body **or the governing body of a school corporation** may

1 establish as part of a professional sports and convention development
2 area any facility that is:

- 3 (1) owned by the city, the county, a school corporation, or a
4 board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or
5 IC 36-10-11 and used by a professional sports franchise; or
6 (2) owned by the city, the county, or a board under **IC 36-9-13**,
7 IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used for convention
8 or tourism related events.

9 The tax area may include only facilities described in this section and
10 any parcel of land on which the facility is located. An area may contain
11 noncontiguous tracts of land within the city or county.

12 **SECTION 13. IC 36-7-31.3-19 IS AMENDED TO READ AS**
13 **FOLLOWS [EFFECTIVE JULY 1, 1999]:** Sec. 19. The resolution
14 establishing the tax area must designate the use of the funds. The funds
15 are to be used only for:

- 16 (1) a capital improvement that will construct or equip a facility:
17 (A) owned by the city, the county, a school corporation, or
18 a board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or
19 IC 36-10-11 and used by a professional sports franchise; or
20 (B) owned by the city, the county, or a board under
21 **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and
22 used for convention and tourism related events; or
23 (2) the financing or refinancing of a capital improvement
24 described in subdivision (1) or the payment of lease payments
25 for a capital improvement described in subdivision (1)."

26 Page 3, line 36, delete "This" and insert "**IC 6-1.1-12-29 and**
27 **IC 6-1.1-12-30, both as amended by this**".

28 Page 3, line 36, delete "applies" and insert ", apply".

29 Page 3, after line 37, begin a new paragraph and insert:

30 "**SECTION 15. An emergency is declared for this act.**".

31 Renumber all SECTIONS consecutively.

(Reference is to SB 357 as printed January 29, 1999.)

and when so amended that said bill do pass.

Representative Bauer